

# **Exhibit 1**

## The Honorable Lauren J. King

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON**

STATE OF WASHINGTON, et al.,

**Plaintiffs,**

V.

DONALD TRUMP, in his official capacity as President of the United States, et al.,

## Defendants.

No. 2:25-cv-00244-LJK

**DECLARATION OF JON LORSCH,  
Ph.D.**

## **DECLARATION OF JON LORSCH, Ph.D.**

I, Jon Lorsch, Ph.D., hereby declare that my testimony below is true and correct to the best of my knowledge and belief and is given under penalty of perjury, pursuant to 28 U.S.C. § 1746:

1. I am the Acting Deputy Director for Extramural Research at the National Institutes of Health (NIH), an operating division of the U.S. Department of Health and Human Services (HHS). I have held this position since April 7, 2025.

2. In addition to my current role, I am the Director of the National Institute of General Medical Sciences (NIGMS), a position I have held since 2013, where I oversee NIGMS's mission-related activities, supporting basic research that increases understanding of biological processes and lays the foundation for advances in disease diagnosis, treatment, and prevention. I am also a Senior Investigator in the Eunice Kennedy Shriver National Institute of Child Health and Human Development (NICHD), a position I have held since 2014.

3. As Acting Deputy Director for Extramural Research, I am the principal scientific advisor to the NIH Director on all matters relating to the substance, quality, and effectiveness of the NIH extramural research program. I am responsible for overseeing the Office of Extramural Research under the Office of the NIH Director. The Office of Extramural Research “provides the corporate framework for the NIH research administration and works to ensure the scientific integrity, public accountability, and effective stewardship of the NIH research grant portfolio.” Office of the Director, NIH, <https://www.nih.gov/about-nih/what-we-do/nih-almanac/office-director-nih> (last visited May 15, 2025).

4. I make this declaration based on personal knowledge acquired by me in the course of performing my official duties, information contained in NIH records, and information collected through reasonable diligence from those involved in the challenged grant termination initiated in late February and the creation of Exhibits D and E to the Hughes declaration in support of Plaintiffs' Motion to Compel, ECF Nos. 276-4, 276-5.

1           **I. NIH Develops New Priorities**

2           5. NIH is the largest public funder of biomedical and behavioral research in the  
 3 world. Its mission is “to seek fundamental knowledge about the nature and behavior of living  
 4 systems and the application of that knowledge to enhance health, lengthen life, and reduce  
 5 illness and disability.” *See https://www.nih.gov/about-nih/what-we-do/mission-goals* (last  
 6 accessed May 15, 2025). As one of eight agencies of the U.S. Public Health Service, 42 U.S.C.  
 7 281(b), NIH is an operating division of the U.S. Department of Health and Human Services.  
 8 NIH’s authority to conduct and sponsor research and set research priorities arises from the  
 9 Public Health Services Act (PHSA), 42 U.S.C. section 241, et seq.

10          6. Section 301 of the PHSA, 42 U.S.C. § 241, sets forth the general authority of the  
 11 Secretary of Health and Human Services to conduct and support “research, investigations,  
 12 experiments, demonstrations, and studies relating to the causes, diagnosis, treatment, control,  
 13 and prevention of physical and mental diseases and impairments of man...” This authority has  
 14 been delegated to the Director of NIH, and further delegated to the Directors of each institute  
 15 within NIH.

16          7. Section 402 of the PHSA, 42 U.S.C. § 282, is the foundational authority of NIH  
 17 Director which includes authority to conduct “priority-setting reviews,” “assess research  
 18 priorities,” and “ensure that the resources of the [NIH] are sufficiently allocated . . . .” *See, e.g.*,  
 19 Section 402(b)(4), (5), and (6). This is consistent with NIH’s inherent authority to determine  
 20 funding priorities in awarding discretionary grants within a finite amount of appropriations.

21          8. NIH exercises broad discretion in awarding and administering grants. The  
 22 Secretary awards grants “to those applicants whose approved projects will in the Secretary’s  
 23 judgment best promote the purposes of the statute authorizing the grant and the regulations of  
 24 this part.” 42 CFR § 52.6(a). Due to finite resources, NIH is only able to fund approximately  
 20% of grant applications. *See https://report.nih.gov/nihdatabook/category/10* (last accessed  
 May 15, 2025). Accordingly, one of NIH’s core functions is to serve as an effective steward of  
 the extramural research portfolio by ensuring that the limited available funding is directed to

1 only the most promising science consistent with agency priorities.

2       9. Through the NIH grant award, NIH agrees to support the recipient with a  
 3 specified level of funding for a specific period. The award document, in turn requires recipients  
 4 of NIH grant funds to comply with all Federal statutes, regulations, policies, and terms and  
 5 conditions stated in the Notice of Award (NOA).

6       10. The NIH Grants Policy Statement (GPS) is a term and condition applicable to  
 7 all NIH grant awards. Since 2021, the NIH GPS has stated that its grant terms and conditions,  
 8 including terms and conditions in 2 CFR Part 200, are incorporated into NIH NOAs. *See* 2021  
 9 Grants Policy Statement, Sections 3 and 8.5.2, *available at*  
 10 [https://grants.nih.gov/grants/policy/nihgps/nihgps\\_2021.pdf#page102](https://grants.nih.gov/grants/policy/nihgps/nihgps_2021.pdf#page102) (last accessed May 15,  
 11 2025). Recipients accept the terms of the NOAs when they draw down funds from the  
 12 Payment Management System. One term and condition of the NOA is therefore 2 C.F.R.  
 13 § 200.340, which allows the Government to terminate a grant “pursuant to the terms and  
 14 conditions of the Federal award, including, to the extent authorized by law, if an award no  
 15 longer effectuates the program goals or agency priorities.” 2 CFR § 200.340; *see also* GPS  
 16 8.5.2 (stating “NIH may also terminate the grant in whole or in part as outlined in 2 CFR Part  
 17 200.340”).

18       11. In accordance with these priority-setting authorities, and, in an effort to exercise  
 19 sufficient oversight over federal policy, HHS and NIH began issuing policy guidance to NIH  
 20 personnel in February 2025 that reflects the new funding priorities of agency leadership.

21       12. As part of that guidance, on February 21, 2025, the Acting Director for NIH  
 22 issued a Directive on NIH Priorities, Restoring Scientific Integrity and Protecting the Public  
 23 Investment in NIH Awards (“Directive”). *See* Exhibit A. This Directive expresses that NIH is  
 24 “committed to promoting only the highest level of scientific integrity, public accountability, and  
 social responsibility in the programs it funds.” *Id.* The Directive lists various categories of  
 research that the Acting Director for NIH determined no longer aligns with current agency  
 priorities, including research programs that are based on diversity equity and inclusion (DEI) or

1 gender identity. It instructed that “[g]rants, contracts, cooperative agreements, and other  
 2 transactions deemed inconsistent with NIH’s mission may, where permitted by applicable law,  
 3 be subject to funding restrictions, terminated or partially terminated, paused, and/or not  
 4 continued or renewed, in compliance with all procedural requirements.” *Id.*

5       13. The Directive further states that “[w]hile this description of NIH’s mission is  
 6 consistent with recent Executive Orders issued by the President, [the Acting Director] issued  
 7 this [D]irective based on [his] expertise and experience; consistent with NIH’s own obligation  
 8 to pursue effective, fiscally prudent research; and pursuant to NIH authorities that exist  
 independently of, and precede, those Executive Orders.” *Id.*

## 9       II.     Grant Terminations

10      14. In late February, in accordance with the Directive discussed above, NIH began  
 11 terminating certain grants through termination letters that explained why the grant no longer  
 12 met the agency’s funding priorities.

13      15. One such grant, entitled “An intervention to promote healthy relationships,  
 14 among transgender and gender-expansive youth,” with the project number 5R21HD107311-02,  
 15 had been awarded to Seattle Children’s Hospital (SCH). On February 28, 2025, NIH  
 16 terminated the grant through a letter notifying SCH that the grant had been terminated as it was  
 17 inconsistent with NIH policy and requirements, as outlined in the NIH GPS and 2 CFR  
 18 § 200.340(a)(4), which provides for termination “if any award no longer effectuates the  
 19 program goals or agency priorities.” ECF 244-1. It is my understanding that NIH terminated the  
 20 SCH grant in accordance with the Directive, and not pursuant to Section 4 of Executive Order  
 21 14187, “Protecting Children from Chemical and Surgical Mutilation” or Sections 3(e) or 3(g)  
 22 of Executive Order 14168, “Defending Women from Gender Ideology Extremism and  
 Restoring Biological Truth to the Federal Government.”

23      16. On March 27, 2025, NIH reinstated the SCH grant. NIH has no plans to  
 24 terminate the grant again. Funding on the grant is scheduled to end on August 31, 2025.

1       17. NIH has also reinstated several other grants. They include all the grants that  
 2 Plaintiffs have brought to NIH's attention through counsel.

3       18. At the same time, NIH continues to award funding for many kinds of research,  
 4 regardless of whether the grantee institution is providing what is known as "gender-affirming  
 5 care" as defined by this Court's March 17, 2025 order. *See, e.g.*, NIH RePort – RePorter, Project  
 6 Details, *Mechanisms of T Cell Quiescence and Exhaustion* (award of \$645,962 for a research  
 7 project at Seattle Children's Hospital noticed on April 17, 2025). *See*  
 8 <https://reporter.nih.gov/search/CN8YMk0bWkKMnsGYFp5nUw/project-details/10995348> (last  
 access May 15, 2015).

### 9       **III. NIH Spreadsheet and Tracker Report**

10      19. I have reviewed the spreadsheet Plaintiffs have attached as Exhibit D to the Hughes  
 11 declaration in support of Plaintiffs' Motion to Compel, ECF No. 276-4, which counsel states was  
 12 obtained from a current NIH employee.

13      20. NIH's Office of Extramural Research was not involved in the development of this  
 14 document. I became aware of the spreadsheet through this litigation.

15      21. It is my understanding that this spreadsheet was developed and maintained by  
 16 employees at the Eunice Kennedy Shriver National Institute of Child Health and Human  
 17 Development (NICHD), including NICHD's Office of the Director, Division of Extramural  
 18 Research, and Division of Extramural Activities, for NICHD's internal use to track NIH grants  
 19 administered by NICHD that had been terminated and, until March 14, 2025, the bases for  
 20 termination set forth in the corresponding termination letters. No one who entered information  
 21 under the "Termination Reason" column was involved in the decisions to terminate the grants in  
 22 the spreadsheet, including the SCH grant, nor do they have any personal knowledge concerning  
 23 the bases for termination apart from the statements in the termination letters. NICHD staff was not  
 24 directed to add information concerning the Executive Orders to the spreadsheet, nor did they  
 verify the accuracy of those entries with anyone who was involved in the decisions to terminate  
 the relevant grants. To prevent any further confusion, NICHD has been directed to correct the

1 spreadsheets to reflect that the grants were terminated in accordance with agency priorities.

2       22. I have reviewed the document Plaintiffs have attached as Exhibit E to the  
3 Hughes declaration in support of Plaintiffs' Motion to Compel, ECF No. 276-5, which counsel  
4 states was obtained from the same current NIH employee who provided Exhibit D. Exhibit E  
5 appears to be an autogenerated draft dated March 11, 2025, of a weekly report that NIH  
6 submits to HHS, which is intended to describe actions taken by NIH to align with Executive  
7 Orders.

8       23. I had not seen this specific draft report dated March 11, 2025, outside this  
9 litigation; however, on or about March 13, 2025, I was asked to review a draft dated March 7,  
10 2025, which is nearly identical in substance. This request for review on March 13, 2025, was  
11 the first time I became aware of the report. I have since learned that on or about February 14,  
12 2025, NIH began providing weekly reports intended to describe actions taken by NIH to align  
13 with Executive Orders to HHS. In early March, NIH began using NIH's Strategic Tracking  
14 and Report Tool (START) to streamline entry of information from various points of contact  
15 across NIH to generate the report. The March 11 draft appears to be an early example of such a  
16 draft.

17       24. On March 13, 2025, after reviewing the March 7 draft report, I realized that it  
18 incorrectly reported that a number of the Office of Extramural Research activities were being  
19 taken pursuant to Executive Orders, rather than in accordance with the Directive. Accordingly,  
20 I directed OER staff to develop a separate report addressing OER activities taken in accordance  
21 with the Directive, including grant terminations. OER no longer reports such activities in the  
22 EO report.

1 I declare under penalty of perjury that the foregoing is true and correct.  
2  
3 Executed this 15<sup>th</sup> day of May, 2025.

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7 Digitally signed by Jon R.  
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JON LORSCH